



General Assembly

January Session, 2007

Substitute Bill No. 7135

* _____ HB07135ED_APP032707 _____ *

**AN ACT CONCERNING EDUCATION COST SHARING AND A
MINIMUM BUDGET REQUIREMENT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10-262f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 Whenever used in this section and sections 10-262h to 10-262j,
4 inclusive:

5 (1) "Adjusted equalized net grand list" means the equalized net
6 grand list of a town multiplied by its income adjustment factor.

7 (2) "Base aid ratio" means one minus the ratio of a town's wealth to
8 the state guaranteed wealth level, provided no town's aid ratio shall be
9 less than [six one-hundredths] two and one-half one-hundredths,
10 except that no town whose school district is a priority school district
11 shall receive a base aid ratio that is less than three one-hundredths.

12 (3) "Income adjustment factor" means the average of a town's per
13 capita income divided by the per capita income of the town with the
14 highest per capita income in the state and a town's median household
15 income divided by the median household income of the town with the
16 highest median household income in the state.

17 (4) "Median household income" for each town means that

18 enumerated in the most recent federal decennial census of population
19 or that enumerated in the current population report series issued by
20 the United States Department of Commerce, Bureau of the Census,
21 whichever is more recent and available on January first of the fiscal
22 year two years prior to the fiscal year in which payment is to be made
23 pursuant to section 10-262i.

24 (5) "Supplemental aid factor" means for each town the average of its
25 percentage of children eligible under the temporary family assistance
26 program and its grant mastery percentage.

27 (6) "Percentage of children eligible under the temporary family
28 assistance program" means the town's number of children under the
29 temporary family assistance program divided by the number of
30 children age five to seventeen, inclusive, in the town.

31 (7) "Average mastery percentage" means for each school year the
32 average of the three most recent mastery percentages available on
33 December first of the school year.

34 (8) "Equalized net grand list", for purposes of calculating the
35 amount of grant to which any town is entitled in accordance with
36 section 10-262h, means the average of the net grand lists of the town
37 upon which taxes were levied for the general expenses of the town
38 two, three and four years prior to the fiscal year in which such grant is
39 to be paid, provided such net grand lists are equalized in accordance
40 with section 10-261a.

41 (9) "Foundation" means (A) for the fiscal year ending June 30, 1990,
42 three thousand nine hundred eighteen dollars, (B) for the fiscal year
43 ending June 30, 1991, four thousand one hundred ninety-two dollars,
44 (C) for the fiscal year ending June 30, 1992, four thousand four
45 hundred eighty-six dollars, (D) for the fiscal years ending June 30,
46 1993, June 30, 1994, and June 30, 1995, four thousand eight hundred
47 dollars, (E) for the fiscal years ending June 30, 1996, June 30, 1997, and
48 June 30, 1998, five thousand seven hundred eleven dollars, (F) for the

49 fiscal year ending June 30, 1999, five thousand seven hundred seventy-
50 five dollars, [and] (G) for the fiscal years ending June 30, 2000, to June
51 30, 2007, inclusive, five thousand eight hundred ninety-one dollars,
52 and (H) for the fiscal years ending June 30, 2008, to June 30, 2012,
53 inclusive, nine thousand six hundred eighty-seven dollars.

54 (10) "Number of children age five to seventeen, inclusive" means
55 that enumerated in the most recent federal decennial census of
56 population or enumerated in the current population report series
57 issued by the United States Department of Commerce, Bureau of the
58 Census, whichever is more recent and available on January first of the
59 fiscal year two years prior to the fiscal year in which payment is to be
60 made pursuant to section 10-262i.

61 (11) "Supplemental aid ratio" means .04 times the supplemental aid
62 factor of a town divided by the highest supplemental aid factor when
63 all towns are ranked from low to high, provided any town whose
64 percentage of children eligible under the temporary family assistance
65 program exceeds twenty-five shall have a supplemental aid ratio of
66 .04.

67 (12) "Grant mastery percentage" means (A) for the school year
68 ending June 30, 1989, average mastery percentage, and (B) for the
69 school years ending June 30, 1990, through the school year ending June
70 30, 1995, the average mastery percentage plus the mastery
71 improvement bonus, and (C) for each school year thereafter, the
72 average mastery percentage.

73 (13) "Mastery count" of a town means for each school year the grant
74 mastery percentage of the town multiplied by the number of resident
75 students.

76 (14) "Mastery improvement bonus" means for each school year
77 through the school year ending June 30, 1995, seventy-five per cent of
78 the difference between (A) the grant mastery percentage for the
79 previous school year, and (B) the average mastery percentage for the

80 school year, but not less than zero.

81 (15) "Mastery percentage" of a town for any examination year
82 means, using the mastery test data of record for the examination year,
83 the number obtained by dividing (A) the total number of valid tests
84 with scores below the state-wide standard for remedial assistance as
85 determined by the Department of Education in each subject of the
86 examinations pursuant to subdivisions (1) and (2) of subsection (a) of
87 section 10-14n taken by resident students, by (B) the total number of
88 such valid tests taken by such students.

89 (16) "Mastery test data of record" for any examination year means
90 the data of record on the April thirtieth subsequent to the
91 administration of the examinations pursuant to subdivisions (1) and
92 (2) of subsection (a) of section 10-14n, except that school districts may,
93 not later than the March first following the administration of an
94 examination, file a request with the Department of Education for an
95 adjustment of the mastery test data from such examination.

96 (17) "Number of children under the temporary family assistance
97 program" means the number obtained by adding together the
98 unduplicated aggregate number of children five to eighteen years of
99 age eligible to receive benefits under the temporary family assistance
100 program or its predecessor federal program, as appropriate, in October
101 and May of each fiscal year, and dividing by two, such number to be
102 certified and submitted annually, no later than the first day of July of
103 the succeeding fiscal year, to the Commissioner of Education by the
104 Commissioner of Social Services.

105 (18) "Per capita income" for each town means that enumerated in the
106 most recent federal decennial census of population or that enumerated
107 in the current population report series issued by the United States
108 Department of Commerce, Bureau of the Census, whichever is more
109 recent and available on January first of the fiscal year two years prior
110 to the fiscal year in which payment is to be made pursuant to section
111 10-262i.

112 (19) "Regional bonus" means, for any town which is a member of a
113 regional school district and has students who attend such regional
114 school district, an amount equal to one hundred dollars for each such
115 student enrolled in the regional school district on October first or the
116 full school day immediately preceding such date for the school year
117 prior to the fiscal year in which the grant is to be paid multiplied by
118 the ratio of the number of grades, kindergarten to grade twelve,
119 inclusive, in the regional school district to thirteen.

120 (20) "Regular program expenditures" means (A) total current
121 educational expenditures less (B) expenditures for (i) special education
122 programs pursuant to subsection (h) of section 10-76f, (ii) pupil
123 transportation eligible for reimbursement pursuant to section 10-266m,
124 (iii) land and capital building expenditures, and equipment otherwise
125 supported by a state grant pursuant to chapter 173, including debt
126 service, provided, with respect to debt service, the principal amount of
127 any debt incurred to pay an expense otherwise includable in regular
128 program expenditures may be included as part of regular program
129 expenditures in annual installments in accordance with a schedule
130 approved by the Department of Education based upon substantially
131 equal principal payments over the life of the debt, (iv) health services
132 for nonpublic school children, (v) adult education, (C) expenditures
133 directly attributable to (i) state grants received by or on behalf of
134 school districts except grants for the categories of expenditures listed
135 in subparagraphs (B)(i) to (B)(v), inclusive, of this subdivision and
136 except grants received pursuant to section 10-262i and section 10-262c
137 of the general statutes, revision of 1958, revised to January 1, 1987, and
138 except grants received pursuant to chapter 173, (ii) federal grants
139 received by or on behalf of school districts except for adult education
140 and federal impact aid, and (iii) receipts from the operation of child
141 nutrition services and student activities services, (D) expenditures of
142 funds from private and other sources, and (E) tuition received on
143 account of nonresident students. The town of Woodstock may include
144 as part of the current expenses of its public schools for each school year
145 the amount expended for current expenses in that year by Woodstock

146 Academy from income from its endowment funds upon receipt from
147 said academy of a certified statement of such current expenses. The
148 town of Winchester may include as part of the current expenses of its
149 public school for each school year the amount expended for current
150 expenses in that year by the Gilbert School from income from its
151 endowment funds upon receipt from said school of a certified
152 statement of such current expenses.

153 (21) "Regular program expenditures per need student" means, in
154 any year, the regular program expenditures of a town for such year
155 divided by the number of total need students in the town for such
156 school year, provided for towns which are members of a kindergarten
157 to grade twelve, inclusive, regional school district and for such
158 regional school district, "regular program expenditures per need
159 student" means, in any year, the regular program expenditures of such
160 regional school district divided by the sum of the number of total need
161 students in all such member towns.

162 (22) "Resident students" means the number of pupils of the town
163 enrolled in public schools at the expense of the town on October first
164 or the full school day immediately preceding such date, provided the
165 number shall be decreased by the Department of Education for failure
166 to comply with the provisions of section 10-16 and shall be increased
167 by one one-hundred-eightieth for each full-time equivalent school day
168 in the school year immediately preceding such date of at least five
169 hours of actual school work in excess of one hundred eighty days and
170 nine hundred hours of actual school work and be increased by the full-
171 time equivalent number of such pupils attending the summer sessions
172 immediately preceding such date at the expense of the town; "enrolled"
173 shall include pupils who are scheduled for vacation on the above date
174 and who are expected to return to school as scheduled. Pupils
175 participating in the program established pursuant to section 10-266aa
176 shall be counted in accordance with the provisions of subsection (h) of
177 section 10-266aa.

178 (23) "Schools" means nursery schools, kindergarten and grades one

179 to twelve, inclusive.

180 (24) "State guaranteed wealth level" means (A) for the fiscal year
181 ending June 30, 1990, 1.8335 times the town wealth of the town with
182 the median wealth as calculated using the data of record on December
183 first of the fiscal year prior to the year in which the grant is to be paid
184 pursuant to section 10-262i, [and] (B) for the fiscal years ending June
185 30, 1991, and 1992, 1.6651 times the town wealth of the town with such
186 median wealth, [and] (C) for the fiscal years ending June 30, 1993, June
187 30, 1994, and June 30, 1995, 1.5361 times the town wealth of the town
188 with the median wealth, [and] (D) for the fiscal [year] years ending
189 June 30, 1996, [and each fiscal year thereafter] to June 30, 2007,
190 inclusive, 1.55 times the town wealth of the town with the median
191 wealth, and (E) for the fiscal year ending June 30, 2008, and each fiscal
192 year thereafter, 1.75 times the town wealth of the town with the
193 median wealth.

194 (25) "Total need students" means the sum of (A) the number of
195 resident students of the town for the school year, (B) (i) for any school
196 year commencing prior to July 1, 1998, one-quarter the number of
197 children under the temporary family assistance program for the prior
198 fiscal year, and (ii) for the school [year] years commencing July 1, 1998,
199 [and each school year thereafter] to July 1, 2006, inclusive, one-quarter
200 the number of children under the temporary family assistance
201 program for the fiscal year ending June 30, 1997, (C) for school years
202 commencing July 1, 1995, to July 1, 2006, inclusive, one-quarter of the
203 mastery count for the school year, [and] (D) for school years
204 commencing July 1, 1995, to July 1, 2006, inclusive, ten per cent of the
205 number of eligible children, as defined in subdivision (1) of section 10-
206 17e, for whom the board of education is not required to provide a
207 program pursuant to section 10-17f, (E) for the school year
208 commencing July 1, 2007, and each school year thereafter, fifteen per
209 cent of the number of eligible children, as defined in subdivision (1) of
210 section 10-17e, for whom the board of education is not required to
211 provide a program pursuant to section 10-17f, and (F) for the school

212 year commencing July 1, 2007, and each school year thereafter, thirty-
213 three per cent of the number of children below the level of poverty.

214 (26) "Town wealth" means the average of a town's adjusted
215 equalized net grand list divided by its total need students for the fiscal
216 year prior to the year in which the grant is to be paid and its adjusted
217 equalized net grand list divided by its population.

218 (27) "Population" of a town means that enumerated in the most
219 recent federal decennial census of population or that enumerated in
220 the current population report series issued by the United States
221 Department of Commerce, Bureau of the Census available on January
222 first of the fiscal year two years prior to the fiscal year in which a grant
223 is to be paid, whichever is most recent; except that any town whose
224 enumerated population residing in state and federal institutions within
225 such town and attributed to such town by the census exceeds forty per
226 cent of such "population" shall have its population adjusted as follows:
227 Persons who are incarcerated or in custodial situations, including, but
228 not limited to jails, prisons, hospitals or training schools or persons
229 who reside in dormitory facilities in schools, colleges, universities or
230 on military bases shall not be counted in the "population" of a town.

231 (28) "Base revenue" for the fiscal year ending June 30, 1995, means
232 the sum of the grant entitlements for the fiscal year ending June 30,
233 1995, of a town pursuant to section 10-262h and subsection (a) of
234 section 10-76g, including its proportional share, based on enrollment,
235 of the revenue paid pursuant to section 10-76g, to the regional district
236 of which the town is a member, and for each fiscal year thereafter
237 means the amount of each town's entitlement pursuant to section 10-
238 262h minus its density supplement, as determined pursuant to
239 subdivision (6) of subsection (a) of section 10-262h, except that for the
240 fiscal year ending June 30, 2003, each town's entitlement shall be
241 determined without using the adjustments made to the previous year's
242 grant pursuant to subparagraph (M) of subdivision (6) of subsection
243 (a) of section 10-262h, except that for the fiscal year ending June 30,
244 2004, each town's entitlement shall be determined without using the

245 adjustments made to the previous year's grant pursuant to
246 subparagraph (N) of subdivision (6) of subsection (a) of section 10-
247 262h.

248 (29) "Density" means the population of a town divided by the
249 square miles of a town.

250 (30) "Density aid ratio" means the product of (A) the density of a
251 town divided by the density of the town in the state with the highest
252 density, and (B) .006273.

253 (31) "Mastery goal improvement count" means the product of (A)
254 the difference between the percentage of state-wide mastery
255 examination scores, pursuant to subdivisions (1) and (2) of subsection
256 (a) of section 10-14n, at or above the mastery goal level for the most
257 recently completed school year and the percentage of such scores for
258 the prior school year, and (B) the resident students of the town, or
259 zero, whichever is greater.

260 (32) "Target aid" means the sum of (A) the product of a town's base
261 aid ratio, the foundation level and the town's total need students for
262 the fiscal year prior to the year in which the grant is to be paid, (B) the
263 product of a town's supplemental aid ratio, the foundation level and
264 the sum of the portion of its total need students count described in
265 subparagraphs (B) and (C) of subdivision (25) of this section for the
266 fiscal year prior to the fiscal year in which the grant is to be paid, and
267 the adjustments to its resident student count described in subdivision
268 (22) of this section relative to length of school year and summer school
269 sessions, and (C) the town's regional bonus.

270 (33) "Fully funded grant" means the sum of (A) the product of a
271 town's base aid ratio, the foundation level and the town's total need
272 students for the fiscal year prior to the year in which the grant is to be
273 paid, and (B) the town's regional bonus.

274 (34) "Number of children below the level of poverty" means the
275 number of students of the town enrolled in public schools at the

276 expense of the town on October first or the first full school day
277 immediately preceding such date, from families below the level of
278 poverty, as determined under Part A of Title I of the No Child Left
279 Behind Act, P.L. 107-110.

280 (35) "Current program expenditures" means (A) total current
281 educational expenditures less (B) expenditures for (i) land and capital
282 building expenditures, and equipment otherwise supported by a state
283 grant pursuant to chapter 173, including debt service, provided, with
284 respect to debt service, the principal amount of any debt incurred to
285 pay an expense otherwise includable in regular program expenditures
286 may be included as part of regular program expenditures in annual
287 installments in accordance with a schedule approved by the
288 Department of Education based upon substantially equal principal
289 payments over the life of the debt, (ii) health services for nonpublic
290 school children, and (iii) adult education, (C) expenditures directly
291 attributable to (i) state grants received by or on behalf of school
292 districts except grants for the categories of expenditures listed in
293 subparagraphs (B)(i) to (B)(iii), inclusive, of this subdivision and except
294 grants received pursuant to section 10-262i and section 10-262c of the
295 general statutes, revision of 1958, revised to January 1, 1987, and
296 except grants received pursuant to chapter 173, (ii) federal grants
297 received by or on behalf of school districts except for adult education
298 and federal impact aid, and (iii) receipts from the operation of child
299 nutrition services and student activities services, (D) expenditures of
300 funds from private and other sources, and (E) tuition received on
301 account of nonresident students. The town of Woodstock may include
302 as part of the current expenses of its public schools for each school year
303 the amount expended for current expenses in that year by Woodstock
304 Academy from income from its endowment funds upon receipt from
305 said academy of a certified statement of such current expenses. The
306 town of Winchester may include as part of the current expenses of its
307 public school for each school year the amount expended for current
308 expenses in that year by the Gilbert School from income from its
309 endowment funds upon receipt from said school of a certified

310 statement of such current expenses.

311 (36) "Current program expenditures per resident student" means, in
312 any year, the current program expenditures of a town for such year
313 divided by the number of resident students in the town for such school
314 year, provided for towns which are members of a kindergarten to
315 grade twelve, inclusive, regional school district, "current program
316 expenditures per resident student" means, in any year, the current
317 program expenditures of such regional school district divided by the
318 sum of the number of total resident students in all such member
319 towns.

320 Sec. 2. Subdivision (6) of subsection (a) of section 10-262h of the
321 general statutes is repealed and the following is substituted in lieu
322 thereof (*Effective July 1, 2007*):

323 (6) For the fiscal year ending June 30, 1996, and each fiscal year
324 thereafter, a grant in an amount equal to the amount of its target aid as
325 described in subdivision (32) of section 10-262f except that such
326 amount shall be capped in accordance with the following: (A) For the
327 fiscal years ending June 30, 1996, June 30, 1997, June 30, 1998, and June
328 30, 1999, for each town, the maximum percentage increase over its
329 previous year's base revenue shall be the product of five per cent and
330 the ratio of the wealth of the town ranked one hundred fifty-third
331 when all towns are ranked in descending order to each town's wealth,
332 provided no town shall receive an increase greater than five per cent.
333 (B) For the fiscal years ending June 30, 2000, June 30, 2001, June 30,
334 2002, June 30, 2003, and June 30, 2004, for each town, the maximum
335 percentage increase over its previous year's base revenue shall be the
336 product of six per cent and the ratio of the wealth of the town ranked
337 one hundred fifty-third when all towns are ranked in descending order
338 to each town's wealth, provided no town shall receive an increase
339 greater than six per cent. (C) No such cap shall be used for the fiscal
340 year ending June 30, 2005, or any fiscal year thereafter. (D) For the
341 fiscal year ending June 30, 1996, for each town, the maximum
342 percentage reduction from its previous year's base revenue shall be

343 equal to the product of three per cent and the ratio of each town's
344 wealth to the wealth of the town ranked seventeenth when all towns
345 are ranked in descending order, provided no town's grant shall be
346 reduced by more than three per cent. (E) For the fiscal years ending
347 June 30, 1997, June 30, 1998, and June 30, 1999, for each town, the
348 maximum percentage reduction from its previous year's base revenue
349 shall be equal to the product of five per cent and the ratio of each
350 town's wealth to the wealth of the town ranked seventeenth when all
351 towns are ranked in descending order, provided no town's grant shall
352 be reduced by more than five per cent. (F) For the fiscal year ending
353 June 30, 2000, and each fiscal year thereafter, no town's grant shall be
354 less than the grant it received for the prior fiscal year. (G) For each
355 fiscal year prior to the fiscal year ending June 30, 2008, except for the
356 fiscal year ending June 30, 2004, in addition to the amount determined
357 pursuant to this subdivision, a town shall be eligible for a density
358 supplement if the density of the town is greater than the average
359 density of all towns in the state. The density supplement shall be
360 determined by multiplying the density aid ratio of the town by the
361 foundation level and the town's total need students for the prior fiscal
362 year provided, for the fiscal year ending June 30, 2000, and each fiscal
363 year thereafter, no town's density supplement shall be less than the
364 density supplement such town received for the prior fiscal year. (H)
365 For the fiscal year ending June 30, 1997, the grant determined in
366 accordance with this subdivision for a town ranked one to forty-two
367 when all towns are ranked in descending order according to town
368 wealth shall be further reduced by one and two-hundredths of a per
369 cent and such grant for all other towns shall be further reduced by
370 fifty-six-hundredths of a per cent. (I) For the fiscal year ending June 30,
371 1998, and each fiscal year thereafter, no town whose school district is a
372 priority school district shall receive a grant pursuant to this
373 subdivision in an amount that is less than the amount received under
374 such grant for the prior fiscal year. (J) For the fiscal year ending June
375 30, 2000, and each fiscal year through the fiscal year ending June 30,
376 2003, no town whose school district is a priority school district shall
377 receive a grant pursuant to this subdivision that provides an amount of

378 aid per resident student that is less than the amount of aid per resident
379 student provided under the grant received for the prior fiscal year. (K)
380 For the fiscal year ending June 30, 1998, and each fiscal year thereafter,
381 no town whose school district is a priority school district shall receive a
382 grant pursuant to this subdivision in an amount that is less than
383 seventy per cent of the sum of (i) the product of a town's base aid ratio,
384 the foundation level and the town's total need students for the fiscal
385 year prior to the year in which the grant is to be paid, (ii) the product
386 of a town's supplemental aid ratio, the foundation level and the sum of
387 the portion of its total need students count described in subparagraphs
388 (B) and (C) of subdivision (25) of section 10-262f for the fiscal year
389 prior to the fiscal year in which the grant is to be paid, and the
390 adjustments to its resident student count described in subdivision (22)
391 of said section 10-262f relative to length of school year and summer
392 school sessions, and (iii) the town's regional bonus. (L) For the fiscal
393 year ending June 30, 2000, and each fiscal year thereafter, no town
394 whose school district is a transitional school district shall receive a
395 grant pursuant to this subdivision in an amount that is less than forty
396 per cent of the sum of (i) the product of a town's base aid ratio, the
397 foundation level and the town's total need students for the fiscal year
398 prior to the fiscal year in which the grant is to be paid, (ii) the product
399 of a town's supplemental aid ratio, the foundation level and the sum of
400 the portion of its total need students count described in subparagraphs
401 (B) and (C) of subdivision (25) of section 10-262f for the fiscal year
402 prior to the fiscal year in which the grant is to be paid, and the
403 adjustments to its resident student count described in subdivision (22)
404 of said section 10-262f relative to length of school year and summer
405 school sessions, and (iii) the town's regional bonus. (M) For the fiscal
406 year ending June 30, 2002, (i) each town whose target aid is capped
407 pursuant to this subdivision shall receive a grant that includes a pro
408 rata share of twenty-five million dollars based on the difference
409 between its target aid and the amount of the grant determined with the
410 cap, and (ii) all towns shall receive a grant that is at least 1.68 per cent
411 greater than the grant they received for the fiscal year ending June 30,
412 2001. (N) For the fiscal year ending June 30, 2003, (i) each town whose

413 target aid is capped pursuant to this subdivision shall receive a pro
414 rata share of fifty million dollars based on the difference between its
415 target aid and the amount of the grant determined with the cap, and
416 (ii) each town shall receive a grant that is at least 1.2 per cent more
417 than its base revenue, as defined in subdivision (28) of section 10-262f.
418 (O) For the fiscal year ending June 30, 2003, each town shall receive a
419 grant that is at least equal to the grant it received for the prior fiscal
420 year. (P) For the fiscal year ending June 30, 2004, (i) each town whose
421 target aid is capped pursuant to this subdivision shall receive a grant
422 that includes a pro rata share of fifty million dollars based on the
423 difference between its target aid and the amount of the grant
424 determined with the cap, (ii) each town's grant including the cap
425 supplement shall be reduced by three per cent, (iii) the towns of
426 Bridgeport, Hartford and New Haven shall each receive a grant that is
427 equal to the grant such towns received for the prior fiscal year plus one
428 million dollars, (iv) those towns described in clause (i) of this
429 subparagraph shall receive a grant that includes a pro rata share of
430 three million dollars based on the same pro rata basis as used in said
431 clause (i), (v) towns whose school districts are priority school districts
432 pursuant to subsection (a) of section 10-266p or transitional school
433 districts pursuant to section 10-263c or who are eligible for grants
434 under section 10-276a or 10-263d for the fiscal years ending June 30,
435 2002, to June 30, 2004, inclusive, shall receive grants that are at least
436 equal to the grants they received for the prior fiscal year, (vi) towns not
437 receiving funds under clause (iii) of this subparagraph shall receive a
438 pro rata share of any remaining funds based on their grant determined
439 under this subparagraph. (Q) For the fiscal year ending June 30, 2005,
440 (i) no town shall receive a grant pursuant to this subparagraph in an
441 amount that is less than sixty per cent of the amount determined
442 pursuant to the previous subparagraphs of this subdivision, (ii)
443 notwithstanding the provisions of subparagraph (B) of this
444 subdivision, each town shall receive a grant that is equal to the amount
445 the town received for the prior fiscal year increased by twenty-three
446 and twenty-seven hundredths per cent of the difference between the
447 grant amount calculated pursuant to this subdivision and the amount

448 the town received for the prior fiscal year, (iii) no town whose school
449 district is a priority school district pursuant to subsection (a) of section
450 10-266p shall receive a grant pursuant to this subdivision that is less
451 than three hundred seventy dollars per resident student, and (iv) each
452 town shall receive a grant that is at least the greater of the amount of
453 the grant it received for the fiscal year ending June 30, 2003, or the
454 amount of the grant it received for the fiscal year ending June 30, 2004,
455 increased by seven tenths per cent, except that the town of Winchester
456 shall not receive less than its fixed entitlement for the fiscal year
457 ending June 30, 2003. (R) Notwithstanding the provisions of this
458 subdivision, for the fiscal years ending June 30, 2006, and June 30,
459 2007, each town shall receive a grant that is equal to the amount of the
460 grant the town received for the fiscal year ending June 30, 2005,
461 increased by two per cent plus the amount specified in section 33 of
462 public act 05-245*, provided for the fiscal year ending June 30, 2007, no
463 town shall receive a grant in an amount that is less than sixty per cent
464 of the amount of its target aid as described in subdivision (32) of
465 section 10-262f. (S) For the fiscal year ending June 30, 2008, [and for
466 each fiscal year thereafter, no town shall receive a grant in an amount
467 that is less than (i) the grant it received for the prior fiscal year, or (ii)
468 sixty per cent of the amount of its target aid as described in
469 subdivision (32) of section 10-262f] a grant in an amount equal to the
470 sum of (i) the town's base aid, and (ii) twenty per cent of the difference
471 between the town's fully funded grant as described in subdivision (33)
472 of section 10-262f, as amended by this act, and its base aid, except that
473 no town shall receive a grant that is less than the amount of the grant
474 the town received for the fiscal year ending June 30, 2007, increased by
475 three per cent. (T) For the fiscal year ending June 30, 2009, a grant in an
476 amount equal to the sum of (i) the town's base aid, and (ii) thirty-five
477 and one-half per cent of the difference between the fully funded grant
478 as described in said subdivision (33) of section 10-262f, and its base aid,
479 except that no town shall receive a grant that is less than the amount of
480 the grant the town received for the fiscal year ending June 30, 2008,
481 increased by three per cent.

482 Sec. 3. Section 10-262i of the general statutes is repealed and the
483 following is substituted in lieu thereof (*Effective July 1, 2007*):

484 (a) For the fiscal year ending June 30, 1990, and for each fiscal year
485 thereafter, each town shall be paid a grant equal to the amount the
486 town is entitled to receive under the provisions of section 10-262h, as
487 calculated using the data of record as of the December first prior to the
488 fiscal year such grant is to be paid, adjusted for the difference between
489 the final entitlement for the prior fiscal year and the preliminary
490 entitlement for such fiscal year as calculated using the data of record as
491 of the December first prior to the fiscal year when such grant was paid.

492 (b) The amount due each town pursuant to the provisions of
493 subsection (a) of this section shall be paid by the Comptroller, upon
494 certification of the Commissioner of Education, to the treasurer of each
495 town entitled to such aid in installments during the fiscal year as
496 follows: Twenty-five per cent of the grant in October, twenty-five per
497 cent of the grant in January and the balance of the grant in April. The
498 balance of the grant due towns under the provisions of this subsection
499 shall be paid in March rather than April to any town which has not
500 adopted the uniform fiscal year and which would not otherwise
501 receive such final payment within the fiscal year of such town.

502 (c) All aid distributed to a town pursuant to the provisions of this
503 section shall be expended for educational purposes only and shall be
504 expended upon the authorization of the local or regional board of
505 education. For the fiscal year ending June 30, 1999, and each fiscal year
506 thereafter, if a town receives an increase in funds pursuant to this
507 section over the amount it received for the prior fiscal year such
508 increase shall not be used to supplant local funding for educational
509 purposes. The budgeted appropriation for education in any town
510 receiving an increase in funds pursuant to this section shall be not less
511 than the amount appropriated for education for the prior year plus
512 such increase in funds.

513 (d) Notwithstanding the provisions of subsection (c) of this section,

514 for the fiscal years ending June 30, 2008, and June 30, 2009, the
515 budgeted appropriation for education in any town receiving an
516 increase in funds pursuant to this section shall be not less than the
517 amount appropriated for education for the prior year plus the
518 percentage of such increase in funds as determined under subsection
519 (e) of this section.

520 (e) The percentage of the increase in aid pursuant to this section
521 applicable under subsection (d) shall be the result of (1) a town's
522 current program expenditures per resident student pursuant to
523 subdivision (36) of section 10-262f, as amended by this section,
524 subtracted from the highest current program expenditures per resident
525 student in the state, (2) divided by the difference between the highest
526 current program expenditures per resident student in the state and the
527 lowest current program expenditures per resident student in the state,
528 (3) multiplied by fifty-five per cent, (4) plus five percentage points. For
529 any town whose school district (A) is in its third year or more of being
530 identified as in need of improvement pursuant to section 10-223e, and
531 (B) has failed to make adequate yearly progress in mathematics or
532 reading at the whole district level, the percentage determined pursuant
533 to this subsection for such town shall be increased by an additional ten
534 percentage points.

535 [(d)] (f) Upon a determination by the State Board of Education that a
536 town or kindergarten to grade twelve, inclusive, regional school
537 district failed in any fiscal year to meet the requirements pursuant to
538 subsection (c) or (d) of this section, the town or kindergarten to grade
539 twelve, inclusive, regional school district shall forfeit an amount equal
540 to two times the amount of the shortfall. The amount so forfeited shall
541 be withheld by the Department of Education from the grant payable to
542 the town in the second fiscal year immediately following such failure
543 by deducting such amount from the town's equalization aid grant
544 payment pursuant to this section, except that in the case of a
545 kindergarten to grade twelve, inclusive, regional school district, the
546 amount so forfeited shall be withheld by the Department of Education

547 from the grants payable pursuant to this section to the towns which
548 are members of such regional school district. The amounts deducted
549 from such grants to each member town shall be proportional to the
550 number of resident students in each member town. Notwithstanding
551 the provisions of this subsection, the State Board of Education may
552 waive such forfeiture upon agreement with the town or kindergarten
553 to grade twelve, inclusive, regional school district that the town or
554 kindergarten to grade twelve, inclusive, regional school district shall
555 increase its budgeted appropriation during the fiscal year in which the
556 forfeiture would occur by an amount not less than the amount of said
557 forfeiture or for other good cause shown. Any additional funds
558 expended pursuant to such an agreement shall not be included in a
559 district's expenditures for the purpose of establishing any future
560 minimum expenditure requirement.

561 Sec. 4. Section 10-262j of the general statutes is repealed and the
562 following is substituted in lieu thereof (*Effective July 1, 2007*):

563 (a) For the fiscal years ending June 30, 1990, June 30, 1991, June 30,
564 1992, and June 30, 1993, the regular program expenditures of a town
565 shall be not less than the greater of (1) the product of (A) the target
566 foundation multiplied by the number of total need students of the
567 town for the prior school year_t and (B) the ratio of the town's grant
568 entitlement for such year pursuant to section 10-262h divided by the
569 town's target grant_t or (2) an amount equal to the sum of (A) the
570 regular program expenditures for the town for the prior fiscal year_t
571 and (B) the amount of the aid increase paid to the town as calculated
572 pursuant to subsection (b) of this section.

573 (b) For the purposes of subsection (a) of this section, the amount of
574 the aid increase paid to a town shall be (1) for the fiscal year ending
575 June 30, 1990, the amount of aid to be paid to the town for the fiscal
576 year ending June 30, 1990, pursuant to section 10-262i, less the base aid
577 for the town, (2) for the fiscal year ending June 30, 1991, the amount of
578 aid paid to the town for the fiscal year ending June 30, 1991, pursuant
579 to said section, less the amount of aid paid to the town for the fiscal

580 year ending June 30, 1990, pursuant to said section, (3) for the fiscal
581 year ending June 30, 1992, the amount of aid paid to the town for the
582 fiscal year ending June 30, 1992, pursuant to said section, less the
583 amount of aid paid to the town for the fiscal year ending June 30, 1991,
584 pursuant to said section, (4) for the fiscal year ending June 30, 1993, the
585 amount of aid paid to the town for the fiscal year ending June 30, 1993,
586 less the amount of aid paid to the town for the fiscal year ending June
587 30, 1992, pursuant to said section, (5) for the fiscal years ending June
588 30, 1994, and June 30, 1995, the amount of aid paid to the town for the
589 fiscal year pursuant to said section, less the amount of aid paid to the
590 town for the prior fiscal year pursuant to said section, (6) for the fiscal
591 year ending June 30, 1996, the amount paid to the town for the fiscal
592 year ending June 30, 1996, pursuant to said section less base revenue
593 for the fiscal year ending June 30, 1995, (7) for the fiscal year ending
594 June 30, 1997, the amount paid to the town for the fiscal year ending
595 June 30, 1997, less the amount paid to the town for the fiscal year
596 ending June 30, 1996, pursuant to said section, (8) for the fiscal year
597 ending June 30, 1998, the amount paid to the town for the fiscal year
598 ending June 30, 1998, less the amount paid to the town for the fiscal
599 year ending June 30, 1997, pursuant to said section, (9) for the fiscal
600 year ending June 30, 1999, the amount paid to the town for the fiscal
601 year ending June 30, 1999, less the amount paid to the town for the
602 fiscal year ending June 30, 1998, pursuant to said section, and (10) for
603 the fiscal year ending June 30, 2000, and each fiscal year thereafter, the
604 amount paid to the town for said fiscal year, less the amount paid to
605 the town for the year prior to said fiscal year, provided any amounts
606 paid pursuant to section 7 of public act 99-217* shall be included in the
607 determination of the aid increase paid to the town.

608 (c) Notwithstanding the provisions of subsection (a) of this section,
609 for the years ending June 30, 1990, June 30, 1991, June 30, 1992, and
610 June 30, 1993, no town shall be required to spend more on regular
611 program expenditures than an amount equal to the product of the
612 foundation for such year and the total need students of the town for
613 the prior school year.

614 (d) (1) For the year ending June 30, 1994, the regular program
615 expenditures of a town shall be not less than the greater of the
616 foundation for such year multiplied by the total need students of the
617 town for the prior school year or an amount equal to the sum of (A) the
618 regular program expenditures for the town for the prior fiscal year,
619 and (B) the amount of the aid increase paid to the town as calculated
620 pursuant to subsection (b) of this section, except that no town shall be
621 required to spend more on regular program expenditures than one
622 hundred five per cent of the product of the foundation for such year
623 and the total need students of the town for the prior school year.

624 (2) For the fiscal year ending June 30, 1995, the regular program
625 expenditures of a town shall be not less than the greater of the
626 foundation for such year multiplied by the total need students of the
627 town for the prior school year or an amount equal to the sum of (A) the
628 regular program expenditures for the town for the prior fiscal year,
629 and (B) the amount of the aid increase paid to the town as calculated
630 pursuant to subsection (b) of this section, except that no town shall be
631 required to spend more on regular program expenditures than one
632 hundred ten per cent of the product of the foundation for such year
633 and the total need students of the town for the prior school year.

634 (3) For the fiscal years ending June 30, 1996, and June 30, 1997, the
635 regular program expenditures of a town shall not be less than the
636 lesser of (A) the sum of the regular program expenditures for the town
637 for the prior fiscal year, and the amount of the aid increase paid to a
638 town pursuant to subsection (b) of this section, or (B) the sum of the
639 town's minimum expenditure requirement cap as determined by the
640 Department of Education for the fiscal year ending June 30, 1995, and
641 the sum of any aid increases paid to a town pursuant to subsection (b)
642 of this section after the fiscal year ending June 30, 1995.

643 (4) For the fiscal year ending June 30, 1998, the regular program
644 expenditures of a town shall be the lesser of the sum of (A) its
645 minimum expenditure requirement for the fiscal year ending June 30,
646 1997, (B) its aid increase pursuant to subsection (b) of this section, and

647 (C) the result obtained by multiplying the difference between the
648 town's resident student count for October 1996, using the data of
649 record as of December 1, 1996, and its final audited resident student
650 count for October 1993, by one-half of the foundation, or the sum of (i)
651 its minimum expenditure requirement for the fiscal year ending June
652 30, 1997, and (ii) its aid increase pursuant to subsection (b) of this
653 section.

654 (5) For the fiscal year ending June 30, 1999, the regular program
655 expenditures of a town shall be the lesser of the sum of (A) its
656 minimum expenditure requirement for the fiscal year ending June 30,
657 1998, (B) its aid increase pursuant to subsection (b) of this section, and
658 (C) the result obtained by multiplying the difference between the
659 town's resident student count for October 1997, using the data of
660 record as of December 1, 1997, and the town's resident student count
661 for October 1996, using the data of record as of December 1, 1996, by
662 one-half of the foundation, or the sum of (i) its minimum expenditure
663 requirement for the fiscal year ending June 30, 1998, and (ii) its aid
664 increase pursuant to subsection (b) of this section.

665 (6) For the fiscal year ending June 30, 2000, the regular program
666 expenditures of a town shall be no less than the sum of (A) its
667 minimum expenditure requirement for the fiscal year ending June 30,
668 1999, (B) its aid increase pursuant to subsection (b) of this section, and
669 (C) the result obtained by multiplying the difference between the
670 town's resident student count for October 1998, using the data of
671 record as of December 1, 1998, and the town's resident student count
672 for October 1997, using the data of record as of December 1, 1997, by
673 one-half of the foundation.

674 (7) For the fiscal year ending June 30, 2001, the regular program
675 expenditures of a town shall be no less than the sum of (A) its
676 minimum expenditure requirement for the fiscal year ending June 30,
677 2000, (B) its aid increase pursuant to subsection (b) of this section, and
678 (C) if the resident student count for October 1999, is less than the
679 resident student count for October 1998, the result obtained by

680 multiplying the difference between the town's resident student count
681 for October 1999, using the data of record as of December 1, 1999, and
682 the town's resident student count for October 1998, using the data of
683 record as of December 1, 1998, by one-half of the foundation.

684 (8) For the fiscal year ending June 30, 2002, the regular program
685 expenditures of a town shall be no less than the sum of (A) its
686 minimum expenditure requirement for the fiscal year ending June 30,
687 2001, (B) its aid increase pursuant to subsection (b) of this section, and
688 (C) if the resident student count for October 2000, is less than the
689 resident student count for October 1999, the result obtained by
690 multiplying the difference between the town's resident student count
691 for October 2000, using the data of record as of December 1, 2000, and
692 the town's resident student count for October 1999, using the data of
693 record as of December 1, 1999, by one-half of the foundation.

694 (9) For the fiscal year ending June 30, 2003, the regular program
695 expenditures of a town shall be no less than the sum of (A) its
696 minimum expenditure requirement for the fiscal year ending June 30,
697 2002, (B) its aid increase pursuant to subsection (b) of this section, and
698 (C) if the resident student count for October 2001, is less than the
699 resident student count for October 2000, the result obtained by
700 multiplying the difference between the town's resident student count
701 for October 2001, using the data of record as of December 1, 2001, and
702 the town's resident student count for October 2000, using the data of
703 record as of December 1, 2000, by one-half of the foundation.

704 (10) For the fiscal year ending June 30, 2004, the regular program
705 expenditures of a town shall be no less than the sum of (A) its
706 minimum expenditure requirement for the fiscal year ending June 30,
707 2003, (B) its aid increase pursuant to subsection (b) of this section, and
708 (C) if the resident student count for October 2002, is less than the
709 resident student count for October 2001, the result obtained by
710 multiplying the difference between the town's resident student count
711 for October 2002, using the data of record as of December 1, 2002, and
712 the town's resident student count for October 2001, using the data of

713 record as of December 1, 2001, by one-half of the foundation.

714 (11) For the fiscal year ending June 30, 2005, the regular program
715 expenditures of a town shall be no less than the sum of (A) its
716 minimum expenditure requirement for the fiscal year ending June 30,
717 2004, (B) its aid increase pursuant to subsection (b) of this section, and
718 (C) if the resident student count for October 2003, is less than the
719 resident student count for October 2002, the result obtained by
720 multiplying the difference between the town's resident student count
721 for October 2003, using the data of record as of December 1, 2003, and
722 the town's resident student count for October 2002, using the data of
723 record as of December 1, 2002, by one-half of the foundation.

724 (12) For the fiscal year ending June 30, 2006, the regular program
725 expenditures of a town shall be no less than the sum of (A) its
726 minimum expenditure requirement for the fiscal year ending June 30,
727 2005, (B) its aid increase pursuant to subsection (b) of this section, and
728 (C) if the resident student count for October 2004, is less than the
729 resident student count for October 2003, the result obtained by
730 multiplying the difference between the town's resident student count
731 for October 2004, using the data of record as of December 1, 2004, and
732 the town's resident student count for October 2003, using the data of
733 record as of December 1, 2003, by one-half of the foundation.

734 (13) For the fiscal year ending June 30, 2007, the regular program
735 expenditures of a town shall be no less than the sum of (A) its
736 minimum expenditure requirement for the fiscal year ending June 30,
737 2006, (B) its aid increase pursuant to subsection (b) of this section, and
738 (C) if the resident student count for October, 2005 is less than the
739 resident student count for October, 2004 the result obtained by
740 multiplying the difference between the town's resident student count
741 for October, 2005 using the data of record as of December 1, 2005, and
742 the town's resident student count for October, 2004 using the data of
743 record as of December 1, 2004, by one-half of the foundation.

744 [(e) Upon a determination by the State Board of Education that a

745 town or kindergarten to grade twelve, inclusive, regional school
746 district failed in any fiscal year to meet its minimum expenditure
747 requirement pursuant to subsection (a), (c), (d) or (f), as appropriate, of
748 this section, the town or kindergarten to grade twelve, inclusive,
749 regional school district shall forfeit an amount equal to two times the
750 difference between said minimum expenditure requirement and the
751 town's or kindergarten to grade twelve, inclusive, regional school
752 district's actual regular program expenditures. The amount so forfeited
753 shall be withheld by the Department of Education from the grant
754 payable to the town in the second fiscal year immediately following
755 such failure by deducting such amount from the town's equalization
756 aid grant payment pursuant to section 10-262i, except that in the case
757 of a kindergarten to grade twelve, inclusive, regional school district,
758 the amount so forfeited shall be withheld by the Department of
759 Education from the grants payable pursuant to said section 10-262i to
760 the towns which are members of such regional school district. The
761 amounts deducted from such grants to each member town shall be
762 proportional to the number of resident students in each member town.
763 Notwithstanding the provisions of this subsection, the State Board of
764 Education may waive such forfeiture upon agreement with the town
765 or kindergarten to grade twelve, inclusive, regional school district that
766 the town or kindergarten to grade twelve, inclusive, regional school
767 district shall exceed its minimum expenditure requirement during the
768 fiscal year in which the forfeiture would occur by an amount not less
769 than the amount of said forfeiture. Any additional funds expended
770 pursuant to such an agreement shall not be included in a district's
771 expenditures for the purpose of establishing any future minimum
772 expenditure requirement.]

773 [(f)] (e) (1) Notwithstanding the provisions of subsections (a), (b)
774 and (c) of this section: (A) For the fiscal years ending June 30, 1990,
775 June 30, 1991, June 30, 1992, and June 30, 1993, the regular program
776 expenditures of a kindergarten to grade twelve, inclusive, regional
777 school district shall not be less than the greater of (i) the product of (I)
778 the target foundation multiplied by the sum of the number of total

779 need students in the member towns in the regional school district for
780 the prior school year, and (II) the ratio of the sum of the member
781 towns' grant entitlements for such year pursuant to section 10-262h
782 divided by the sum of the member towns' target grants, or (ii) an
783 amount equal to the sum of (I) the regular program expenditures for
784 the regional school district for the prior fiscal year, and (II) the amount
785 of the sum of the aid increases paid to the member towns as calculated
786 pursuant to subsection (b) of this section, provided no kindergarten to
787 grade twelve, inclusive, regional school district shall be required to
788 spend more on regular program expenditures than an amount equal to
789 the product of the foundation for such year and the sum of the total
790 need students in the member towns of the regional school district for
791 the prior school year; and (B) for the year ending June 30, 1993, and for
792 each fiscal year thereafter, the regular program expenditures of a
793 kindergarten to grade twelve, inclusive, regional school district shall
794 be not less than the foundation for such year multiplied by the sum of
795 the total need students of all member towns for the prior school year.

796 (2) Notwithstanding the provisions of subdivision (3) of subsection
797 (d) of this section, for the fiscal years ending June 30, 1996, and June 30,
798 1997, the regular program expenditures of a kindergarten to twelve,
799 inclusive, regional school district shall not be less than the lesser of (A)
800 the sum of the regular program expenditures for the regional school
801 district for the prior fiscal year, and the sum of the member towns' aid
802 increases pursuant to subsection (b) of this section, or (B) the sum of
803 the member towns' minimum expenditure requirement caps as
804 determined by the Department of Education for the fiscal year ending
805 June 30, 1995, and the sum of the member towns' aid increases paid
806 pursuant to subsection (b) of this section after the fiscal year ending
807 June 30, 1995.

808 [(g)] (f) For the purposes of this section "total need students" means
809 total need students as calculated using the data of record as of
810 December first of such data year.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2007</i>	10-262f
Sec. 2	<i>July 1, 2007</i>	10-262h(a)(6)
Sec. 3	<i>July 1, 2007</i>	10-262i
Sec. 4	<i>July 1, 2007</i>	10-262j

ED*Joint Favorable Subst. C/R*

APP